Fall in Exports

563. SHRI P. UPENDRA : Will the PRIME MINISTER be pleased to state :

(a) whether the Federation of Indian Chembers of Commerce and Industry has urged Government to draft an 'action plan' to boost exports to the General Currency Areas;

(b) whether there is a steep fall in exports in terms of dollars during 1991-92 and the first half of 1992-93; and

(c) if so, what steps Government are taking to reverse the trend ?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SALMAN KHURSHEED) : (a) Yes, Sir.

(b) India's aggregate exports during 1991-92 registered a decline of 1.7% in dollar terms as compared to 1990-91. However, exports to the General Currency Area (GCA) countries registered an increase of 6.6 per cent. During April-September, 1992-93, India's aggregate exports registered an increase of 5.4% as compared to the corresponding period of 1991-92. During this period, India's exports to GCA countries increased by 12.1%.

(c) Several changes in trade policy were introduced since July 1991 aimed at strengthening export incentives, eliminating a substantial volume of import licensing and rationalising the import tariff structure. Rupee has been made partially convertible to encourage generation of foreign exchange. These have been further consolidated in the new Export-Import Policy, which, *inter-alia* aims to promote productivity, modernisation and competitiveness of Indian industry and thereby to enhance its export capabilities. The policy also seeks to promote efficient and internationally competitive import substitution and self-reliance under a de-regulated framework for foreign trade. A short-term Action Plan for ensuring the revival of the export momentum has been formulated. Besides, 34 commodities have been identified as 'extreme focus' sectors aimed at value increase of 30% every year in exports.

Production Target of FCV Tobacco

564. DR. YELAMANCHILI SIVAJI : Will the PRIME MINISTER be pleased to state :

(a) the target of production of FCV Tobacco for current year;

(b) the demand thereof; and

(c) the support price during the ensuing season ?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SALMAN KHURSHEED) : (a) The target for 1992 crop is 124 M. Kgs. of which 103 M. Kgs. is for A.P. and 21 M. Kgs. for Karnataka.

(b) The total demand is estimated at around 138 M. Kgs. of which 70 M. Kgs. is for domestic consumption and about 68 M. Kgs. for exports both from A.P. and Karnataka crops.

(c) The Minimum Support Price for F2 grade of black soil tobacco is Rs. 16.00 per Kg., while that for L2 grade of light soils (NLS and Karnataka) is Rs. 17.50 per Kg.

Export of F.C.V. Tobacco to erstwhile U.S.S.R.

565. DR. YELAMANCHILI SIVAJI : Will the PRIME MINISTER be pleased to state :

(a) whether it is a fact that F.C.V. Tobacco could not be exported to the erstwhile U.S.S.R. as per trade protocol; and

(b) if so, the details thereof and what steps have been taken to overcome the same ?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SALMAN KHURSHEED) : (a) and (b) The Russian importing organisation placed orders for 25,000 tonnes of tobacco in March 1992 against a Trade Plan Provision of 25,000 tonnes. To facilitate these exports, on the specific request of the Russians, Government of India extended a technical credit of US $ 25 million, against which 9,600 tonnes of tobacco were exported in August, 1992.